

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: HB 234 HLS 12RS 251

Bill Text Version: ENROLLED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Table with 2 columns: Information (Date, Dept./Agy., Subject) and Author/Analyst (Author: HODGES, Analyst: Alan M. Boxberger)

MTR VEHICLE/LICEN PLATES EN INCREASE SG EX See Note Page 1 of 1
Creates a prestige license plate to protect the honeybee

Proposed law requires the Secretary of the Department of Public Safety and Corrections to establish a special prestige motor vehicle license plate to be known as the "Save the Honeybee" plate, provided there is a minimum of 1,000 applicants for the plate. This license plate will be restricted to passenger cars, pickup trucks, recreational vehicles and vans. Proposed law indicates that the color and design shall be selected jointly by the North Live Oak Elementary School of Watson, Louisiana, and the Louisiana Beekeepers Association, Incorporated. Proposed law establishes a royalty fee for the "Save the Honeybee" license plate, authorizes a handling fee to be retained by the department, and identifies the recipient of the royalty fees.

Table with 7 columns: EXPENDITURES, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

The proposed legislation will require 120 hours of overtime for the Information Services Section at an average cost of \$32 per hour (\$32 x 120 = \$3,840) plus associated Medicare expenses (\$3,840 x 1.45% = \$56), or a total of \$3,896 in personal services. The legislation will require programming and database modifications performed by IT Applications Analysts to support the new license plate. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

The proposed legislation legislation will require \$3,700 in supply purchases to manufacture 1,000 "Save the Honeybee" plates at a cost of \$3.70 per plate (\$3.70 x 1,000 = \$3,700).

The total expenditures in the first year are approximately \$7,596, assuming 1,000 plates are manufactured and sold. Each additional license plate would result in an expenditure increase of \$3.70. Because the cost of manufacturing a plate exceeds the administrative fee allowed to the department, each plate manufactured would result in a \$0.20 impact that would be absorbed within the department's existing budget authority, or may require SGF support if existing authority is insufficient.

REVENUE EXPLANATION

The proposed law may generate approximately \$3,500 in self-generated revenue for the Office of Motor Vehicles for every 1,000 "Save the Honeybee" plates that are issued. The bill authorizes the department to charge a \$3.50 handling fee per license plate sold to offset a portion of administrative costs (\$3.50 x 1,000 plates = \$3,500). Each additional license plate would produce revenue of \$3.50.

The proposed law would also generate \$50,000 in royalty fees at \$25 annually per plate for every 1,000 plates issued (collected every two years upon renewal). Royalties collected by the department are deposited into an escrow account and then would be forwarded to the Louisiana Beekeepers Association, Incorporated, or its successor organization. The monies received from the royalty fees are to be used solely for financial aid for graduate students working on applied honey bee research projects at the United States Department of Agriculture Agricultural Research Service Honey Bee Breeding, Genetics and Physiology Research Laboratory in Baton Rouge, Louisiana. The Louisiana Beekeeper's Association, Incorporated, shall establish and disburse the funds for the scholarship program.

Table with 3 columns: Senate, Dual Referral Rules, House. Rows include fiscal cost and tax/fee increase/decrease options, and signature of Evan Brasseaux, Staff Director.